



# Department of Defense DIRECTIVE

August 3, 1984  
NUMBER 1015=6

ASD(MI&L)

SUBJECT : Funding of Morale, Welfare, and Recreation Programs

- References:
- (a) DoD Directive 1330.2, "Funding of Morale, Welfare, and Recreation (MWR) Programs, " March 17, 1978 (hereby canceled)
  - (b) DoD Directive 5118.3, "Assistant Secretary of Defense (Comptroller) ," July 11, 1972
  - (c) through (t), see enclosure 1

A. PURPOSE

This Directive replaces reference (a) and updates policy, responsibilities and guidance for funding of morale, welfare, and recreation (MRW) programs and activities.

B. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies (hereafter referred to collectively as "DoD' Components"). The term "Military Service, " as used herein, refers to the Army, the Navy, the Air Force, and the Marine Corps.

C. DEFINITIONS

The terms used in this Directive are defined in Enclosure 2.

D. POLICY

1. It is DoD policy to fund a well-rounded MWR program to:

a. Maintain among its personnel a high level of esprit de corps, job proficiency, military ef festiveness, educational attainment, and physical well-being.

b. Promote and maintain the mental and physical well-being of DoD personnel.

c. Encourage DoD personnel to use their time constructively and creatively by participating in programs that help to develop and maintain motivation, talent, and skills that contribute to the ability to discharge their duties as service members and as responsible citizens.

d. Aid in recruitment and retention by making service with the Department of Defense an attractive career.

e. Assist service members in adjusting from civilian life to a military environment upon entry into a Military Service.

f. Assist in providing a community support environment to dependents of service members, particularly in the absence of military sponsors while at sea, on unaccompanied tours, on maneuvers, or involved in armed conflict.

#### E. PROCEDURES

1. MWR programs and facilities shall be operated, maintained, and funded as an integral part of the personnel program of the Department of Defense. Depending upon the nature of individual types of MWR activities, some will be operated and maintained wholly or predominately with appropriated funds, while others will be operated and maintained wholly or predominately with nonappropriated funds. Specific authorizations for elements of expense are enunciated in enclosure 3.

2. Resale activities, except for those required by statute to sell at cost price, shall be self-sustaining in terms of operating expenses for civilian employees; purchase of operating equipment, stock, supplies, transportation, and utilities; and maintenance of the interior of space occupied and of equipment used, except when appropriated fund support is authorized (see enclosure 3).

3. Appropriated funds are authorized to provide common support to all MWR activities when use of such resources is too insignificant (that is, 500 dollars yearly or less) to warrant proration and billing. Common support includes communications, custodial and janitorial services, personnel services, accounting, and other common-type support.

4. Privately owned horses, boats, recreation vehicles, or aircraft that are stabled, moored, provided utilities, or rendered other support by military MWR activities on DoD installations are not entitled to financial support by the Department of Defense or its nonappropriated fund instrumentalities (NAFIs) except on a reimbursable basis when not otherwise prohibited by law.

#### F. RESPONSIBILITIES

1. The Assistant Secretary of Defense (Manpower, Installations, and Logistics) (ASD(MI&L)) shall be responsible for military and civilian employee MWR programs.

2. The responsibilities assigned to the Assistant Secretary of Defense (Comptroller) and the General Counsel, Department of Defense, as delineated in DoD Directives S118.3 and 5145.1 (references (c) and (d), respectively), shall apply equally to MWR programs, when applicable, and shall be carried out in coordination with the ASD(MI&L).

3. The Heads of DoD Components shall fund HWR programs in accordance with the policy and procedures set forth in sections D. and E., above, and shall:

a. Ensure that appropriated and nonappropriated fund resources to support MWR programs are identified in respective 'annual budgets and shall program sufficient resources to **implement MWR** objectives.

b. Within the guidelines provided in this Directive, exert continuing efforts at all echelons to minimize the scope and magnitude of appropriated fund support.

c. Ensure that the life-cycle cost of MWR facilities to be financed from appropriated or nonappropriated funds is held to a minimum; type and size is the most economical and efficient obtainable, consistent with adequacy, for the intended use and known requirements; and facilities are occupied and used on a joint or multiple basis to the greatest extent.

d. At their discretion and subject to retention of adequate control and the restrictions of applicable statutes, accept assistance from agencies, groups, or individuals outside the DoD Components in the establishment or operation of MWR activities.

e. Contract commercial operation of MWR activities when dictated by the nature of activities.

f. Screen and obtain excess and surplus personal property for MWR activities in accordance with the provisions of DoD 4160.21-M (reference (f)).

g. Comply with the provisions of DoD Instruction 1000.15 (reference (g)) as they pertain to MWR activities of private organizations on DoD installations.

h. Assign appropriated fund personnel to MWR activities in accordance with DoD Instruction 1015.4 (reference (h)).

i. Account for appropriated funds used for MWR activities in accordance with expense data requirements prescribed in DoD 7220.9-M (reference (i)).

j. Report financial data related to MWR activities in accordance with the provisions of DoD Instruction 7000.12 (reference (j)).

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<sup>1</sup>DoD 4170.1-M (reference (d)) prescribes construction criteria for MWR facilities. DoD Instruction 7700.18 (reference (e)) prescribes review and reporting procedures for nonappropriated fund construction.

F. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward one copy of implementing documents to the Assistant Secretary of Defense (Manpower, Installations, and Logistics) within 180 days.



WILLIAM H. TAFT, IV  
Deputy Secretary of Defense

Enclosures - 4

1. References
2. De-finitions
3. Authorization for Appropriated and  
Nonappropriated Fund Support for  
MRW Activities
4. DoD Funding Policy: Construction of  
Community Facilities

REFERENCES (cont inued)

- (c) DoD Directive 5145.1, "General Counsel of the Department of Defense," January 7, 1959
- (d) DoD 4270.1-M, "Construction Criteria," authorized by DoD Directive 4270.1, July 11, 1983 .
- (e) DoD Instruction 7700.18, "Nonappropriated- and Privately Funded Construction Projects - Review and Reporting Procedures," May 12, 1983
- (f) DoD 4160.21-M, "Defense Utilization and Disposal Manual," September 1982, authorized by DoD Directive 4160.21, December 5, 1980
- (g) DoD Instruction 1000.15, "Private Organizations on DoD Installations," September 22, 1978
- (h) DoD Instruction 1015.4, "Assignment of Appropriated-Funded Personnel to Morale, Welfare, and Recreation Activities," April 26, 1983
- (i) DoD 7220.9-M, "DoD Accounting Manual," October 1983, authorized by DoD Instruction 7220.9, October 22, 1981
- (j) DoD Instruction 7000.12, "Financial Management of Morale, Welfare and Recreational Activities," - September 4, 1980
- (k) DoD Directive 1015.1, "Establishment, Management, and Control of Nonappropriated Fund Instrumentalities," August 19, 1981
- (l) DoD 1401.1-H, "Personnel Policy Manual for Nonappropriated Fund Instrumentalities," January 1981, authorized by DoD Instruction 1401.1, July 24, 1978
- (m) DoD Instruction 7600.6, "Audit of Nonappropriated Funds and Related Activities," January 4, 1974
- (n) DoD Directive 7920.1, "Life Cycle Management of Automated Information Systems (AIS)," October 17, 1978
- (o) DoD Directive 7950.1, "Automated Data Processing Resources Management," September 29, 1980
- (p) DoD Directive 7740.1, "DoD Information Resources Management Program," June 20, 1983
- (q) DoD Directive 4270.24, "Unspecified Minor Construction, Emergency Construction, and Restoration or Replacement of Damaged or Destroyed Facilities," March 21, 1983
- (r) Title 10, United States Code, ~~Sections 2674 and 4779(c)~~ 2805 .
- (s) DoD Instruction 7040.5, "Definitions of Expenses and Investment Costs,"\* September 1, 1966
- (t) DoD Instruction 1000.12, "Procedures Governing Banking Offices on DoD Installations," September 27, 1982

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#### DEFINITIONS

1. DoD Personnel. Military personnel, including retired members, reservists on active or inactive duty for training, and DoD civilian employees paid from appropriated and nonappropriated funds.

2. Elements of Expense. Those specific types of resources listed in Enclosure 3, consumed in or applied to MWR activities in the execution of MWR programs.

3. Executive Control and Essential Command Supervision. Those managerial functions of planning, organizing, directing, coordinating, and controlling the -overall operations of MWR programs and activities; consists specifically of program, fiscal, logistical, and other management functions that are separate from the daily working level activities and tasks of MWR programs. Specifically excluded from this definition is the direct operation of individual MWR programs and activities. -

4. Morale, Welfare, and Recreation (MWR) Activities. Those activities (exclusive of private organizations as defined in DoD Instruction 1000.15 (reference (g))), located on military installations or on property controlled (by lease or other means) by a Military Department or furnished by a DoD contractor that provide for the comfort, pleasure, contentment, and mental and physical improvement of authorized DoD personnel including recreational and free-time programs, self-development programs, resale merchandise and services, or general welfare. MWR activities may be funded wholly with appropriated funds, primarily with nonappropriated funds, or with any combination of appropriated and nonappropriated funds.

5. Morale, Welfare, and Recreation (MWR) Facility. A building, structure, land area, or other real property improvement primarily used for MWR purposes.

6. Morale, Welfare, and Recreation (MWR) Programs. Mission support actions, created at any level of DoD authority pursuant to this Directive and purposely designed for the comfort, pleasure, contentment, and mental and physical well-being of the service members, their dependents, and other authorized personnel.

7. Nonappropriated Fund Instrumentality (NAFI). An integral DoD organizational entity that performs government function. It acts in its own name to provide or assist other DoD organizations in providing MWR programs for military personnel and authorized civilians. It is established and maintained individually or jointly by the heads of the DoD Components. As a fiscal entity, it maintains custody of and control over its nonappropriated funds. A NAFI is also responsible for the exercise of reasonable care to administer, safeguard, preserve, and maintain prudently those appropriated fund resources made available to carry out its function. With its nonappropriated funds, it contributes to the MWR programs of other authorized organizational entities when so authorized. A NAFI is not incorporated under the laws of any state or the District of Columbia, and it enjoys the legal status of an instrumentality of the United States.

8. Nonappropriated Fund Instrumentality Employee. A person employed by a NAFI and compensated from nonappropriated funds.

9. Nonappropriated Funds. Cash and other assets received by NAFIs from sources other than monies appropriated by the Congress of the United States. Nonappropriated funds are government funds; they are used for the collective benefit of military personnel, their dependents, and authorized civilians who generated them. These funds are separate and apart from funds that are recorded in the books of the Treasurer of the United States.

10." Sale and Resale of Merchandise and Services. Pertains to the acquisition and resale of goods and services by MWR activities or concessionaires. Specifically excluded from this definition are activity fees and charges.

AUTHORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT  
FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY	
	APPROPRIATED	NONAPPROPRIATED
A. MILITARY PERSONNEL		
1. <u>Permanent Assignment Utilization:</u> Applies to active duty military personnel assigned and utilized on a full-time, permanent basis, to perform executive control and essential command supervision over MWR programs and activities. Also includes active duty military personnel assigned and utilized on a (not full-time permanent basis) to perform operational duties and functions in MWR activities as defined in DoD Instruction 1015.4 (reference (h)). Does not include trainees and unassigned personnel.	ALL: As prescribed in DoD Instruction 1015.4 (reference (h)).	ALL: Not applicable.
2. <u>Temporary Assignment Utilization:</u> Applies to active duty military personnel assigned and utilized on a temporary assignment basis to perform duties and functions primarily associated with MWR programs and activities. Such military personnel standard costs are charged to an operating activity during the period of their temporary assignment to an MWR activity as authorized in reference (h).	ALL: Authorized for no more than 90 days under conditions outlined in reference (h).  NOTE: Enlisted personnel may be employed during nonduty hours by NAFIs as part-time NAF-paid employees in accordance with Chapter 2, DoD 1401.1-M (reference (1)).	ALL: Not applicable.
3. <u>Additional and Collateral MWR Duties:</u> Applies to active duty military personnel who are assigned duties involving MWR functions on an additional and collateral duty basis. These duties will be in addition to the member's primary duty and may be of an executive control and essential command supervision or operational nature (as defined in reference (h)).	ALL: Authorized.	ALL: Not applicable.

<sup>1</sup> MWR activities are categorized in DoD Directive 1015.1 (reference (k)).



AUTHORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT  
FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
<b>B. CIVILIAN PERSONNEL</b>		
<b>1. Assignment and Utilization:</b> Applies to civilian employees, paid from both appropriated and nonappropriated funds, who are assigned on a full-time permanent basis to MWR operating activities to perform executive control and essential command supervision and operational duties primarily associated with MWR programs and activities.	<u>ALL:</u> Authorizer's prescribed in DoD Directive 1015.4 (reference (h)).	<u>ALL:</u> Authorized.
<b>2. Additional and Collateral MWR Duties:</b> Applies to appropriated fund civilian employees who are assigned duties involving MWR functions on additional or collateral duty basis. These duties will be in addition to the civilian employee's primary duty assignment and may be of executive control and essential command supervision or operational nature (as defined in reference (h)).	<u>I:</u> Not authorized.  <u>II, III, IV, V, VI, VII, VIII:</u> Authorized.	<u>ALL:</u> Not applicable.
<b>3. Civilian Personnel Office (CPO) Assistance or Administration:</b> Relates to CPO support for:  <b>a. Technical advice and counsel that may be provided by the CPO to assist in the personnel management of employees paid with nonappropriated funds.</b>	<u>ALL:</u> Authorized. May be provided to NAFIs employing nonappropriated fund employees and to MWR activities utilizing nonappropriated fund personnel.	<u>ALL:</u> Not authorized.
<b>b. Day-to-day personnel administration of employees paid with nonappropriated funds to include, but not limited to, recruitment placement, position classification, salary and wage administration, training, personnel records maintenance, employee relations, and related personnel matters.</b>	<u>ALL:</u> Authorized when no additional appropriated fund costs are incurred.	<u>ALL:</u> Authorized.

AUTHORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT  
FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
c. <u>TRAVEL OF PERSONNEL</u>		
1. <u>Permanent Change of Station (PCS): Applies to relocation of appropriated fund and nonappropriated fund personnel assigned on a full-time permanent basis to MWR programs and activities (excluding shipment of household goods),</u>	ALL: Authorized for appropriated fund personnel only.	ALL: Authorized for nonappropriated fund personnel only.
2. <u>Temporary Duty (TOY) Travel:</u>		
a. Applies to TDY personnel employed by or assigned or detailed to MWR programs and activities.	ALL: Authorized: (1) When the traveler is a military member or employee paid from appropriated funds. (2) For nonemployee paid with nonappropriated funds whose travel is directed by a nonauthorized DoD official and the TDY relates to business supported by appropriated funds.	ALL: Authorized for personnel engaged in internal MWR operation.
b. Applies to TDY of participants engaged in athletic, recreation, and entertainment programs conducted as part of the MWR program.	III: Authorized only in conjunction with international and national sports competitions and such other events specifically authorized by statute and other DoD issuance (to include command supervision). (Restriction does not preclude space-available travel by participants in MWR programs.)  I, II, IV, V, VI, VII, VIII: Not authorized	ALL: Authorized.

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FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
3. <u>Use of Government-owned Vehicles:</u> Relates to use of government-owned, motor pool-controlled, passenger vehicles by ● n MWR activity.	<p><u>I, II, IV, VI, VII, VIII:</u> Not authorized except to assist in the performance of executive control ● nd command supervision on ● reimbursable basis.</p> <p><u>III, Cp A:</u> Not ● uthorized ● xcpt in support of command management functions ● nd on ● reimbursable basis for ● ll other requirements.</p> <p><u>III, Cps B1, B2, B3:</u> Authorized.</p> <p><u>V:</u> Not ● uthorized except in support of command management ● nd essential feed-in functions ● nd on ● reimbursable basis for ● ll other requirements.</p>	<p>ALL: Authorized to reimburse appropriated funds for use of government-owned vehicles.</p>

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ELEMENTS OF EXPENSE	FUNDS BY CATEGORY	
	APPROPRIATED	NONAPPROPRIATED
<p>f). <u>TRANSPORTATION OF THINGS</u> ,</p> <p>1. <u>Transoceanic</u>: Pert* ins to goods transported to ● nd from the <u>Continental United States (CONUS)</u> sea and ● erial ports of debarkation, first destination <u>overseas ports</u> of debarkation outside the CONUS via surface ● nd ● ir transport from <u>overseas</u> ports of embarkation to CONUS ports of debarkation, ● l between overseas ports outside of the CONUS, including <u>Alaska ● nd Hawaii</u>.</p> <p>a. <u>Foreign Goods</u>: Goods produced or <u>manufactured</u> in a foreign country and physically located outside of the United States, its possessions, or Puerto Rico, or in <u>bonded</u> warehouses or a foreign trade zone within the United States, its possessions, or Puerto Rico.</p> <p>(1) Goods purchased with appropriated funds.</p>	<p>ALL: Authorized,</p>	<p>ALL: Not ● uthorized.</p>
<p>(2) Goods purchased with <u>nonappropriated</u> funds.</p>	<p>ALL: Not ● uthorized except for foreign areas where commercial transportation is not available, in combat zones, ● d otherwise on s reimbursable basis only.</p>	<p>ALL: Authorized.</p>
<p>b. <u>United States Goods</u>: Goods produced or ● anufactured within the United States ● nd physically located within the United States, its possessions, or Puerto Rico, including goods produced or manufactured outside the United States, its possessions, or Puerto Rico and legally imported into the United States (duties ● nd taxes paid) but ● xcluding goods in bonded warehouses or s foreign trade zone within the United States, its possessions, or Puerto Rico:</p> <p>(1) Goods purchased with appropriated funds.</p>	<p>ALL: Authorized.</p>	<p>ALL: Not ● uthorized.</p>

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FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
(2) Goods purchased with nonappropriated funds.	ALL: Authorized.	ALL: Authorized when appropriated funds are not available.
2. Inland Transportation: Pertains to goods shipped overland only from vendors or other points-of origin to F.O.D. destination within the United States, its possessions, or Puerto Rico, and within foreign countries.		
(1) Purchased with appropriated funds.	ALL: Authorized,	ALL: Authorized when appropriated funds are not available or efficient.
(2) Purchased with nonappropriated funds.	ALL: Not authorized except for movement of U.S. goods within foreign countries "from port of discharge to first destination, transfers of excess equipment, and transfers between DoD installation. necessitated by base closures or inactivations or to preserve, secure, and safeguard goods under emergency conditions, in the case of natural disaster or threat of hostile force or when military vehicles or aircraft, or both, are the only means of transport due to isolation; or shipment of U.S. goods procured with NAF but authorized for procurement with appropriated funds.	ALL: Authorized.
3. Household Goods: Applies to the authorized transportation of household goods for either:		
a. Appropriated fund personnel.	ALL: Authorized.	ALL: Not authorized,

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FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY	
	APPROPRIATED	NONAPPROPRIATED
h. Nonappropriated fund personnel.	ALL: Authorized on • reimbursable basis only.	ALL: Authorized.
F. UTILITIES AND RENTS		
1. <u>Utilities</u> : Applies to brat, steam, water, gas, electricity, • ir conditioning, • nd other utility services for facilities used primarily by MWR activities. Also includes purchase, installation, and maintenance of metering devices.	<p>I, II: Authorized for • l costs outside CONUS.</p> <p>III, Gp A, B1, B2: Authorized for • l costs.</p> <p>III, Gp B3: Authorized for all costs outside CONUS • nd in CONUS • rea. more than 10 miles or 30 minutes commuting distance from an urbanized • rea, • s de- fined by the Bureau of Census.</p> <p>IV: Authorized for MWR activities on • comparable basis to those in category 111.</p> <p>V: Authorized for • l 1 open messes outside CONUS • nd for • ll enlisted messes. Officer or consolidated open messes designated • s essential feeding facilities • re author- ized • reasonable proration of costs, • s determined locally, to support • s sential feeding functions.</p>	<p>I, II, VI, VII, VIII: Authorized for all costs in CONUS.</p> <p>III, Gp A, B1, B2: Not authorized.</p> <p>III, Gp B3: Author- ized for all costs in CONUS within or near urbanized • reas.</p> <p>IV: Authorized for MWR • ctivities on • comparable • ble basis to those in category 111.</p> <p>V: Authorized for • ll other open messes • nd for other than • s sential feeding functions of CONUS officer or consolidated open messes.</p>

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<b>ELEMENTS OF EXPENSE</b>	<b>FUNDS BY CATEGORY<sup>1</sup></b>	
	<b>APPROPRIATED</b>	<b>NONAPPROPRIATED</b>
	<p><u>VI:</u> Authorized for <b>●</b> <del>il</del> costs outside CONUS and for those <b>●</b> <del>ssociattorrs</del> within CONUS whose consumption of utilities would not warrant the cost of <b>●</b> <del>stimating</del>, metering, or billing utilities.</p> <p><u>VII, VIII:</u> Authorized for <b>all</b> costs outside CONUS and for costs too insignificant (such as \$500 yearly or less) to warrant proration and billing.</p>	
<p>2. <u>Rents:</u> Applies to the use and possession of non-DoD lands, buildings, and other improvements and installed equipment for a specified period through contract, lease agreement, or other legal instrument when authority is granted through appropriate channels.</p>	<p><u>ALL:</u> <del>except temporary lodging facilities (TLFs):</del> Not authorized except upon specific <b>●</b> <del>pproval</del> by the head of the DoD Component concerned.</p> <p><u>TLFs:</u> Not authorized.</p>	<p><u>ALL:</u> Not <b>●</b> uthorized <b>except</b> upon specific approval by the head of the DoD Component concerned.</p>
<p><b>F. COMMUNICATIONS</b></p> <p>1. <u>Electronic Communications:</u> Applies to electronic communications (telephone, teletype, television, AUTOVON, AIRFODIN, public address systems, and other such electronic media) provided MWR activities and facilities.</p>	<p><u>ALL:</u> Authorized (1) when supporting the command management functions of the MWR activity, such as statistical data gathering and reporting, and for communications with other DoD and government <b>●</b> <del>gencies</del>; (2) for MWR activities located overseas (including Alaska and Hawaii) when deemed to be in the best interest of the government; (3) in MWR facilities that support <b>●</b> <del>anditory</del> <b>■</b>ilitary functions in addition to the MWR function.</p>	<p><u>ALL:</u> Authorized when supporting the operational function of the activity, such as <b>●</b> <del>s</del> procurement of items for resale <b>●</b> <del>nd</del> collection of income for merchandise or services sold.</p>

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ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup> APPROPRIATED	NONAPPROPRIATED
<p>2. <u>Postal Service, Mail Indicia, and Postage:</u> Applies to support provided to MWR activities by governmental postal organizations and systems for the dispatch of official mail by MWR activities and rental of post office boxes. For the purpose of this Directive, official mail is defined as any material transmitted through the domestic, international, or military postal service relating exclusively to the business of the U.S. Government.</p>	<p>ALL: Authorized for official mail to include (1) communications within and between government agencies; (2) correspondence to persons or private commercial agencies, except that relating to procurement of goods for resale or pertaining to collection of income.</p>	<p>ALL: Authorized for all other correspondence related to the operation of NAFLs.</p>
<p>G. <u>EQUIPMENT MAINTENANCE</u></p> <p>1. <u>Government-owned Equipment on Loan to MWR Activities:</u> Applies to maintenance, repair, overhaul, or rework of equipment owned by the government and on loan to MWR activities.</p>	<p>I, II, III(Gp B3), IV, V, VI: Not authorized</p> <p>III(Gps A, B1, B2): Authorized for all costs except salvaged equipment.</p> <p>VII, VIII: Authorized</p>	<p>I, II, III(Gp B3), IV, V, VI: Authorized for all costs.</p> <p>III(Gps A, B1, B2), VII, VIII: Authorized when appropriated funds are not available or sufficient.</p>
<p>2. <u>Government-Owned Equipment Authorized for MWR Activities:</u> Applies to maintenance, repair, overhaul, or rework of equipment owned by the government and authorized on component equipment authorization documents to MWR activities.</p>	<p>ALL: Authorized for all costs.</p>	<p>ALL: Authorized when appropriated funds are not available or sufficient.</p>
<p>3. <u>Equipment Acquired with Nonappropriated Funds:</u> Applies to maintenance, repair, overhaul, or rework of equipment acquired with nonappropriated funds.</p>	<p>ALL: Not authorized except for equipment authorized for acquisition with appropriate funds but, because of lack of appropriated funds, is procured with nonappropriated funds and title has been transferred to the government.</p>	<p>ALL: Authorized.</p>



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ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
<b>N. <u>PRINTING AND REPRODUCTION</u></b>  Applies to printing and reproduction such as work done on print presses, lithographing and other duplicating, related binding operations, photography, microfilming, formats and foreign, ditto, and graphics.	<b>ALL:</b> Authorized for all costs except those related to the sale of merchandise or services end to the internal operation of NAFIs.	<b>ALL:</b> Authorized.
<b>I. <u>OTHER SERVICES</u></b>  Applies to the following categories of expenses incurred in the day-to-day operation of MWR activities:		
<b>1. <u>Education and Training:</u></b> Pertains to the advancement of job knowledge, development of skills, and improvement of abilities of MWR activity personnel, regardless of position or job occupied, who attend DoD Component-sponsored schools and seminars or private institutions.	<b>ALL:</b> Authorized for personnel paid with appropriated funds.	<b>ALL:</b> Authorized.
<b>2. <u>Auditing Services:</u></b> Relates to the independent examination, review, and valuation of the records, controls, practices, and procedures in the area of financial and operational management of MWR activity by DoD Components' audit organizations or independent public accountants.	<b>ALL:</b> Authorized in accordance with DoD Instruction 7600.6 (reference (m)).	<b>ALL:</b> Authorized in accordance with reference (m).
<b>3. <u>Data Automation:</u></b> Applies to automatic data processing system development or operation (personnel, equipment, supplies) needed for either essential command supervision or internal operations of an MWR activity. (Set DoD Directives 7920.1, 7950.1 and 7740.1 (references (n), (o), and (P))).	<b>ALL:</b> Authorized for services required for command supervision and to discharge commander's supervisory responsibility for MWR management review and analysis.	<b>ALL:</b> Authorized for costs related to internal management of nonappropriated fund resources of MWR activities.

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ELEMENTS OF EXPENSE	FUNDS BY CATEGORY	
	APPROPRIATED	NONAPPROPRIATED
4. <u>Financial Management Services:</u> Relates to those services that reflect the preparation of appropriated and nonappropriated fund budgets; provide accounting for financial management data; facilitate the preparation of financial reports; and provide for management review and analysis to ensure proper control over all the resources that support MWR activities.	ALL: Authorized to provide technical guidance and assistance in preparing budgets, financial and analytical data required for command supervision, and management review and analysis to ensure control over resources of MWR activities.	ALL: Authorized for all costs related to to NAF accounting and analytical functions required for the operation of MWR activities.
5. <u>Legal Services:</u> Applies to that service and assistance provided to MWR activities by or through the Judge Advocates General (JAGs) or General Counsel.	ALL: Authorized for Judge Advocate legal staff but not to include NAFI internal legal staffing.	AU: Authorized to pay legal staffs required, as an integral part of NAFI.
6. <u>Procurement Office Assistance and Administration:</u>		
a. <u>Assistance:</u> Applies to technical advice and assistance that may be provided by the procurement office to assist MWR management in the procurement of goods and services with nonappropriated funds.	ALL: Authorized.	ALL: Not applicable.
b. <u>Administration:</u> Applies to the functions of procurement (source development, preparation of procurement documents, negotiation of prices, contract administration and audit, and related procurement functions) being performed by the Procurement Office in the procurement of goods and services with nonappropriated funds.	I: Not authorized except that existing appropriated fund contract may be used purchase items or service.  11 - VIII: Authorized when no additional incremental appropriated fund costs are incurred.	ALL: Authorized.

AUTHORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT  
FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY	
	APPROPRIATED	NONAPPROPRIATED
1. Custodial and Janitorial Service: Applies to the support, supplies, and equipment provided by the installation engineer, the public works department, or by contract.	<p>I, II, IV, VI: Not authorized.</p> <p>III (Group A, B1, B2, VI, VII, VIII): Authorized for all costs.</p> <p>III (Group B3): Authorized only when used for other than MWR purpose, that is, official functions and activities.</p> <p>V: Authorized for enlisted open messes and reasonable "proration of costs for the essential feeding portions of officers or consolidated open messes.</p>	<p>I, II, IV, VI: Authorized for all costs.</p> <p>III (Group A, B1, B2), VII, VIII: Authorized when appropriated funds are not available or sufficient.</p> <p>III (Group B3), V: Authorized for all other costs,</p>
8. Common Services: Relates to those services of a protective or sanitary nature normally supplied as a command function. Such services include, but are not limited to fire protection, including acquisition and installation of extinguishers and sprinkler and alarm systems; security protection, including physical security of buildings (such as alarm systems and security bars) and protection of funds; pest control; sewage disposal; trash and garbage removal; snow removal; safety; medical, veterinary and sanitary inspection; and rescue operations.	<p>I: Authorized for all costs associated with protecting the health and safety of participants and employees and with protecting other MWR resources, except for costs associated with trash and garbage removal in CONUS.</p> <p>II-VIII: Authorized for all costs associated with protecting the health and safety of participants and employees and with protecting other MWR resources.</p>	<p>I: Authorized for trash and garbage removal in CONUS and when appropriated funds are not available or sufficient.</p> <p>II-VII: Authorized only when appropriated funds are not available or sufficient.</p>

**AUTHORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT  
FOR MWR ACTIVITIES**

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY	
<p><b>9. Minor Construction:</b> Includes construction and engineering services and supplies to the erection, addition, expansion, extension, alteration, conversion or replacement of an existing facility; the relocation of a facility from one place to another, provided that the cost of such construction does not exceed the limits for minor construction as outlined in DoD Directive 4270.24 (reference (q)). (For major construction projects and associated architecture and engineering (A&amp;E) expenses - see expense elements 0.1 and 0.2)</p>	<p><b>APPROPRIATED</b></p> <p><b>I:</b> Authorized except for the limitations provided in 10 U.S.C. 4277(c) (reference (r)), as applicable. <b>2805</b></p> <p><b>II - VIII:</b> Authorized as prescribed in 10 U.S.C. 2674 (reference (r)).</p>	<p><b>NONAPPROPRIATED</b></p> <p><b>ALL:</b> Authorized when appropriated funds are not available or sufficient.</p>
<p><b>10. Maintenance and Repair:</b> Maintenance applies to the recurrent, day-to-day, periodic, or scheduled work required to preserve a government-owned facility, its installed equipment, and its premises in such a condition that it may be used effectively. Repair applies to the restoration of a facility to such a condition that it may be used effectively.</p>	<p><b>ALL:</b> Authorized.</p>	<p><b>ALL:</b> Authorized when nonappropriated funds are not available or sufficient.</p>
<p><b>J. AIRCRAFT PETROLEUM, OIL, AND LUBRICANTS (POL)</b></p> <p>Applies to POL (including fuel additive) consumed by aircraft operated in conjunction with MWR activity (does not include cost for travel of personnel (see section C., above) or for transportation of things (see section F., above)).</p>	<p><b>ALL:</b> Not authorized.</p>	<p><b>I, II, III, IV, V, VII, VIII:</b> Not authorized.</p> <p><b>VI:</b> Authorized for error (flying) membership allocations.</p>
<p><b>K. SNIP POL:</b></p> <p>Applies to POL consumed by ships and other vessels operated in conjunction with MWR activities. (Does not include cost for travel of personnel (see section C., above) or for transportation of things (see section D., above).)</p>	<p><b>I, II, IV, V, VI, VII, VIII:</b> Not authorized.</p> <p><b>III:</b> Not authorized except in support of ship's boats.</p>	<p><b>I, II, IV, V, VII, VIII:</b> Not authorized.</p> <p><b>III, VI:</b> Authorized.</p>

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FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
<b>L. OTHER SUPPLIES</b>  Applies to supply items (expendables) that are consumed or lose their identity when used, or whose low value do not require the same accountability required for equipment. Included in this group are clothing, tentage, organizational tools, administrative and house-keeping supplies (other than in subsection 1.8. , above ), petroleum fuels, lubricant., preservatives, coolants, oil derivatives (other than aircraft and ship POL in sections J. and K. , above).	<p><u>1, 11, VI, VIII:</u> Not authorized except for supplies required for executive control and essential command supervision.</p> <p><u>111:</u> Authorized for all costs except those related to the sale of merchandise or services.</p> <p><u>IV, V:</u> Not authorized except for supplies required for executive control and essential command supervision. Enlisted open messes and essential feeding portions of officer. or consolidated open messes may be issued appropriated-funded supplies but are not authorized items of issue to military dining facilities.</p> <p><u>VII:</u> Not authorized except for supplies required for executive control and essential command supervision and to the extent required to perform appropriated fund financial management.</p>	<p><u>ALL:</u> Authorized.</p>

AUTJJORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT  
FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
<p>n. <u>EQUIPMENT</u></p> <p>Includes the acquisition cost of any item of equipment, furniture, or furnishing that does not meet the criteria of an investment cost as defined in DoD Instruction 7040.5 (reference (s)).</p>	<p><u>I, II, IV, VI, VIII</u>: Purchase not authorized; use of surplus or excess government equipment authorized.</p> <p><u>III</u>: Authorized for all costs except those related to the sale of merchandise or services.</p> <p><u>V</u>: All enlisted open messes and soenthl feeding portions of officers or consolidated open messes may be issued appropriated fund items of equipment authorized to military dining facilities. Use of surplus or excess government equipment authorized to all open messes.</p> <p><u>VII</u>: Not authorized except for equipment required for executive control and essential command supervision.</p>	<p><u>I, II, IV, VI, VII, VIII</u>: Authorized.</p> <p><u>III</u>: Authorized for all costs related to the sale of merchandise or services and when appropriated funds are not available or sufficient.</p> <p><u>V</u>: Authorized for all other costs.</p>
<p>N. <u>OTHER OPERATING EXPENSES</u></p> <p>Includes the cost of types of resources not otherwise provided for, such as investments and loans, grants, subsidies and contributions, insurance claims and indemnities, interest and dividends, and payments instead of taxes, if such resources are included in operations appropriations.</p>	<p><u>ALL</u>: Authorized for costs incurred incident to the performance of functions related to executive control and essential command supervision or as specifically authorized by statute or DoD publication.</p>	<p><u>ALL</u>: Authorized</p>

AUTHORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT ,  
FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY <sup>1</sup>	
	APPROPRIATED	NONAPPROPRIATED
<p><b>o. NON-OPERATING EXPENSES</b></p> <p>Relates to the following categories of services or expenses provided to on MWR activity.</p> <p><b>1. A&amp;E Services:</b> Applies to professional service that include the necessary consultations, preparation of preliminary studies, analyses, cost estimates, working drawings, specifications, interior design and decoration, and the inspection and supervision services required for the construction, iteration, or repair of real property facilities.</p>	<p><b>ALL:</b> (1) Authorized for projects scheduled for construction with appropriated funds. (2) Authorized for projects scheduled for construction with nonappropriated funds as approved by the DoD Component concerned, provided that no additional manpower authorizations are required.</p>	<p><b>ALL:</b> Authorized for projects scheduled for construction with non-appropriated funds except for inspection and supervision services required for government acceptance of the facility.</p>
<p><b>2. Military Construction:</b> Applies to the erection, installation or assembly of new facility; the addition expansion, extension, iteration, conversion, or replacement of an existing facility; or the relocation of a facility from one place to another. Construction includes equipment installed in and made a part of such facilities and related site preparation excavation, filling, and landscaping or other land improvements.</p>	<p>See enclosure 4.</p>	<p>See enclosure 4.</p>
<p><b>3. Purchase of Real Property:</b> Relates to the acquisition cost of land, buildings, and other fixed improvements.</p>	<p><b>ALL:</b> Purchase of real property authorized only to the extent approved by Congress. Use of existing facilities authorized.</p>	<p><b>ALL:</b> Not authorized except for the purchase of commercially owned buildings located on government property.</p>

AUTHORIZATION FOR APPROPRIATED AND NONAPPROPRIATED FUND SUPPORT  
FOR MWR ACTIVITIES

ELEMENTS OF EXPENSE	FUNDS BY CATEGORY	
	APPROPRIATED	NONAPPROPRIATED
<p>4. <u>Investment Equipment</u>: Relates to the acquisition and use of equipment that meet the criteria of investment items as defined in DoD Instruction 7040.5 (reference (s)).</p>	<p><u>III, IV, VI, VIII</u>: Purchase not authorized; use of surplus or excess government equipment authorized.</p> <p><u>III</u>: Authorized for all costs except those related to the sale of merchandise or services.</p> <p><u>V</u>: Enlisted open messes and essential feeding portions of officers or consolidated open messes may be issued appropriated-fund items of equipment authorized to military dining facilities. Use of surplus or excess government equipment authorized for all open messes.</p> <p><u>VII</u>: Not authorized except for equipment required for executive control and essential command supervision and to the extent required to perform Appropriated fund financial management.</p>	<p><u>I, II, IV, VI, VII, VIII</u>: authorized.</p> <p><u>III</u>: Authorized for all real estate related to the sale of merchandise or services when appropriated funds are not available or sufficient.</p> <p><u>V</u>: Authorized for all other costs.</p>
<p>P. <u>MERCHANDISE, SERVICE, AND EQUIPMENT FOR RESALE OR RENT</u></p> <p>Pertains to merchandise, services, and equipment procured by an MWR activity for resale or rent to authorized persons.</p>	<p><u>ALL</u>: Not authorized, except that heads of DoD Components may authorize the sale of military clothing and other appropriated fund items in military exchanges on a cost-reimbursable basis.</p>	<p><u>ALL</u>: Authorized.</p>

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DoD Funding Policy:  
Construction of Community Facilities

This policy prescribes a single source of funding for construction of community facilities in accordance with guidance provided in the Conference Report on the DoD Military Construction Authorization Bill for Fiscal Year 1980 (Pub. L. 96-125). Distinction is made for construction of facilities at new installations or where expansion is required because of a mission change or influx of new units or systems and in certain instances for support of U.S. Forces deployed in foreign areas, where DoD personnel do not have ready access to civilian community or commercial alternatives normally available in the United States. The footnotes to the funding chart reflect these distinctions. Additionally, it is recognized that from time to time Service-unique situations or exigencies that need immediate or more specific attention may require deviation or exception to the basic funding policy. These deviations or exceptions will be reviewed by the ASD(MI&L) and ASD(C) on a case-by-case basis.

<u>Type of Facility</u>	<u>Fund Source</u>	
	<u>MILCON</u> <u>Appropriated</u>	<u>Nonappropriated or Other</u>
Gymnasium/Fieldhouse/ Physical Activities Complex	X	
Recreation Center/Day Room/ Multipurpose Recreational Facility	X	
Multipurpose Auditorium/ Theater	X	
MWR Administrative Office/ Supply Center	X	
Family Assistance/Service Center	X	
Child Care Center "	X	"
Swimming Pool	X	
Library	X	
Open Mess (Club)	X <sup>2</sup>	X
Exchange Resale Facility	X <sup>3</sup>	X
Exchange Logistical Facility	X'	X

(Footnotes are on page 43)

<u>Type of Facility</u>	<u>MILCON</u> <u>Appropriated<sup>1</sup></u>	<u>Fund Source</u>	
		<u>Nonappropriated or Other</u>	
Arts and Crafts/Automotive Self-Help Garage/Skill Development Center	X <sup>5</sup>	X	
Bank	X <sup>6</sup>	X <sup>7</sup>	
Credit Union		X <sup>7</sup>	
Thrift Shop		X <sup>7</sup>	
Commissary Facilities		X	<sup>8</sup> "
Book Store _		X	
Package Beverage Store		X	
Rod and Gun Club		X	.
Aero Club		X	
Temporary Lodging Facility/ Guest House	X <sup>9</sup>	X	
Cabin/Cottage/Recreation Site Lodge		X	
Outdoor Recreation Pavilion Facility		X	
Bowling Center		X	
Skating Rink (ice or roller)		X	
Youth Center		X	
Playing Courts/Fields	X <sup>10</sup>	X	
Golf Course/Facility		X	
Riding Stable		X	
Amphiground		X	
Amateur Radio Facility		X	

<u>Type of Facility</u>	<u>Fund Source</u>	
	<u>MILCON</u> <u>Appropriated</u> <sup>1</sup>	<u>Nonappropriated or Other</u>
Bathhouse		X
Marina, Boathouse		X
Outdoor Theater .		X
Bandstand		X

<sup>1</sup> Appropriated funds may be used for all community facility construction related to the establishment, activation, or expansion of a military installation or relocation of facilities for convenience of the government; replacement of facilities denied by country-to-country agreements; restoration of facilities destroyed by acts of God, fire, or terrorism; and to correct life safety deficiencies. In the case of installation "expansion," a major increase in authorized and assigned personnel strength over a short period of time is necessary before appropriated fund construction can be programed. Such expansion must be the result of a mission change or influx of new units or systems. For example, a 25 percent increase in a 1-year timespan satisfies these criteria. In contrast, personnel increases resulting from an evolutionary expansion occurring over several years does not satisfy these criteria.

<sup>2</sup> Consolidated open" mess facilities (including modular construction) outside the United States.

<sup>3</sup> Exchange facilities required in areas of military conflict; or as integral parts of air terminal, hospital, housing or other construction projects.

<sup>4</sup> Exchange administrative/storage/maintenance facilities outside the United States and all laundries, dry cleaning plants, bakeries, dairies, or similar facilities operated by an exchange in support of a military mission.

<sup>5</sup> Arts and craft/automobile self-help garage/skill development centers outside the United States.

<sup>6</sup> Banks at locations where on-base banking services are required, but where the patronage base is insufficient to provide these services on a self-sustaining basis. (See DoD Instruction 1000.12 (reference (t))).

<sup>7</sup> Private funds.

<sup>8</sup> Surcharge trust funds.

<sup>9</sup> Authorized overseas where avoiding the expenditure of other appropriated funds (such as temporary lodging allowance, basic allowance for quarters, station housing allowance, and furniture support) would save appropriated funds.

<sup>10</sup> Playing courts and fields constructed as a part of a gymnasium, fieldhouse, or physical activities complex.